

## **Ethics Committee annual report for 2022**

### **on the application of the Code of Conduct for the Members and former Members of the European Court of Auditors**

*Article 19(7) of the Code of Conduct for the Members and former Members of the European Court of Auditors<sup>1</sup> requires the Court, once a year, to adopt a report on the application of the Code of Conduct, including the work of the Ethics Committee. The report must be published on the ECA website.*

*This report covers the year 2022 and was adopted by the Court on 30 March 2023.*

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<sup>1</sup> As last amended on 7 April 2022.

## **I. INTRODUCTION**

1. The European Court of Auditors abides by the international standards of ethics applicable to supreme audit institutions (INTOSAI Code of Ethics – ISSAI 130). Members and former Members must observe a Code of Conduct, which complements their obligations under the Treaty on the Functioning of the European Union (in particular Article 286 thereof).
2. In 2022, the Court made amendments to Articles 10 and 12 of the Code of Conduct, and added a new Article 14.

## **II. ETHICAL FRAMEWORK APPLICABLE TO MEMBERS AND FORMER MEMBERS OF THE ECA**

3. Having regard to the importance of the responsibilities assigned to them, the Members of the ECA must observe the highest standards of conduct. The ethical values of integrity, independence, objectivity, competence, professional behaviour, confidentiality and transparency, dignity, commitment and loyalty, and discretion and collegiality should be their guiding principles.
4. Members have an obligation to act honestly, reliably, in good faith and solely in the public interest. They are expected to be free from circumstances or influences that compromise, or may be seen as compromising, their professional judgement. They must neither seek nor take instruction from any institution, body, office or agency of the Union, or from any government or other public or private entity. They must act in an impartial and unbiased manner and avoid any situation that is liable to give rise to a conflict of interest, or that could objectively be perceived as such.
5. No Member may engage in any professional activity outside the ECA, or in any other external activity, whether gainful or not, that is incompatible with their duties. However, they may be authorised to assume unremunerated duties in foundations or similar bodies in the legal, scientific, cultural, artistic, social, sporting or charitable spheres, or at educational establishments.
6. In addition, Members may engage in external activities such as giving courses or delivering speeches, or publishing a book or an article, provided that no remuneration is received.

7. Even after leaving office, Members are required to uphold all the obligations arising from their duties that continue to have an effect, in particular the duty to behave with integrity and discretion as regards the acceptance of certain appointments or benefits. They continue to be bound by the duties of discretion and collegiality with respect to the activities they performed while in office. The obligation of professional secrecy also continues to apply.

### **III. THE ETHICS COMMITTEE**

8. The Ethics Committee was established in 2015. Its role is to address all matters of an ethical nature that it deems relevant to the standards laid down in the Code of Conduct and the reputation of the ECA, and to consider any further improvements.

9. The Committee is composed of three permanent and three alternate members. Both groups include two Members of the ECA, as well as one external member selected for their qualities, an impeccable record of professional behaviour and their experience in high-level positions at EU, international or national level.

10. Since October 2021, the permanent members of the Ethics Committee have been:

Joëlle Elvinger (chair), Member of the ECA

Nikolaos Milionis, Member of the ECA

Melchior Wathelet, former first Advocate General at the Court of Justice of the European Union, external member

11. The core of the Ethics Committee's work is to examine Members' declarations of their external activities. The President forwards any such declarations to the Committee, which assesses the external activities to ensure that they do not:

- undermine the ECA's impartiality,
- create a conflict of interest, and cannot be objectively perceived as creating a conflict of interest,
- take up an excessive amount of time, taking into account the cumulative impact of a Member's total external activity, or
- afford the Member any pecuniary gain.

12. By way of exception, a simplified procedure applies for external activities such as giving courses, delivering speeches, or publishing a book or an article. In such cases, the President sends the relevant declaration to the Ethics Committee for information only, and the Committee does not issue an opinion unless it deems this necessary.
13. The Ethics Committee is similarly responsible for assessing the compatibility of Members' occupations after leaving office. A Member (or former Member) who intends to engage in an occupation within two years of leaving the ECA must declare it to the President as soon as they become aware of the matter. The President also forwards these declarations to the Committee so it can examine whether the nature of the planned occupation is compatible with Article 286(4) TFEU and the Code of Conduct, whether it undermines the ECA's impartiality, and whether there is a potential conflict of interest. If the Committee considers that the occupation would be incompatible on one or more of these counts, the President informs the person concerned, who must refrain from engaging in that activity.
14. The Ethics Committee also has a role to play under the ECA's policy for ensuring a respectful and harassment-free workplace. Where the Secretary-General or a Member has been accused of harassment, the appointing authority must forward the alleged victim's request for assistance to the Ethics Committee so it can issue an opinion as to whether to open an administrative investigation.
15. The Ethics Committee meets at the request of its chair or if the President or a Member requests an opinion. Its deliberations are confidential.
16. The Committee must issue an opinion within 30 days of being consulted. On a proposal from its chair, it may issue an opinion by written procedure. Its opinions must be duly substantiated and are adopted by majority vote. The Legal Service assists the Committee in its tasks and provides secretarial support.
17. In 2022, the Committee held **three meetings**, each one on the premises of the ECA. It also resorted to the written procedure on numerous occasions.
18. The Ethics Committee had more to deal with in 2022 than in the previous year, possibly because of the general increase in academic, cultural and social activities after the lifting of COVID-19 restrictions. It received a total of **24 requests relating to Members' external activities and two declarations from former Members about their intended occupations.**

19. A simplified procedure was used to assess **22** of these requests, in accordance with Article 16(4) of the Code of Conduct, as the activities in question consisted in giving a lecture or an interview, chairing a conference or publishing a book or an article. In none of these cases did the Committee deem it necessary to issue an opinion. Two requests for external activities were withdrawn.
20. Regarding the two declarations by former Members, the Committee considered that the activities in question did not constitute an occupation within the meaning of Article 17 of the Code of Conduct, so did not raise any concerns which would have required follow-up.
21. In 2022, the Ethics Committee took all its decisions unanimously.

#### **IV. ACTIVITIES LINKED TO THE CODE OF CONDUCT**

22. Article 14 of the Code of Conduct requires the Members to submit a declaration of interests no later than one month after taking office, once a year on 31 January, at any time in the event of significant changes in the information to be declared (including new external activities), and on leaving office.
23. In 2022, all 27 Members submitted their annual declarations of financial interests on time. These declarations, and those of the five Members who took office in the course of 2022, are published on the ECA website.